

CITY OF BISMARCK POLICE PENSION FUND
INVESTMENT PERFORMANCE REPORT AS OF AUGUST 31, 2005

	August-05				July-05				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Policy	Month	Market Value	Allocation	Policy	Month	Fiscal YTD	FY05	Ended	Ended
				Net ROR				Net ROR	Net ROR	Net ROR	6/30/2005	6/30/2005
											Net	Net
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	991,912	5.2%	5.1%	-0.36%	972,005	5.1%	5.1%	4.40%	4.03%	8.17%	N/A	N/A
Total Structured Growth	991,912	5.2%	5.1%	-0.36%	972,005	5.1%	5.1%	4.40%	4.03%	8.17%	10.28%	-9.00%
Russell 1000 Growth				-1.29%				4.89%	3.54%	1.67%	7.90%	-10.03%
<i>Structured Value</i>												
LSV	987,268	5.2%	5.1%	-0.34%	1,083,172	5.7%	5.1%	3.87%	3.51%	18.24%	9.48%	11.69%
Russell 1000 Value				-0.43%				2.89%	2.45%	14.06%	7.09%	3.03%
<i>Enhanced Russell 1000 Index</i>												
LA Capital	1,322,766	7.0%	6.9%	0.46%	1,303,538	6.9%	6.9%	4.08%	4.55%	7.39%	7.82%	N/A
Russell 1000				-0.87%				3.89%	2.99%	7.92%	7.50%	N/A
<i>Enhanced S&P 500 Index</i>												
Northern Trust	1,304,191	6.9%	6.9%	-0.61%	1,287,021	6.8%	6.9%	3.82%	3.19%	6.02%	7.19%	N/A
Westridge	1,304,525	6.9%	6.9%	-0.89%	1,285,374	6.8%	6.9%	3.75%	2.82%	6.66%	7.25%	N/A
Total Enhanced S&P 500 Index	2,608,716	13.8%	13.7%	-0.75%	2,572,395	13.5%	13.7%	3.78%	3.00%	6.26%	7.74%	N/A
S&P 500				-0.91%				3.72%	2.77%	6.32%	7.06%	N/A
<i>S&P 500 Index</i>												
State Street	654,576	3.5%	3.4%	-0.91%	635,294	3.3%	3.4%	3.72%	2.77%	6.34%	7.07%	-3.00%
S&P 500				-0.91%				3.72%	2.77%	6.32%	7.06%	-3.03%
TOTAL LARGE CAP DOMESTIC EQUITY	6,565,238	34.6%	34.3%	-0.40%	6,566,405	34.6%	34.3%	3.94%	3.52%	8.65%	7.79%	-1.69%
S&P 500				-0.91%				3.72%	2.77%	6.32%	7.06%	-3.03%
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	2,082,942	11.0%	10.7%	-2.09%	2,239,011	11.8%	10.7%	6.81%	4.57%	9.36%	11.97%	N/A
Russell 2000 + 200bp				-1.69%				6.50%	4.71%	11.64%	12.64%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	2,082,942	11.0%	10.7%	-2.09%	2,239,011	11.8%	10.7%	6.81%	4.57%	9.36%	11.97%	4.70%
Russell 2000				-1.85%				6.34%	4.36%	9.45%	11.04%	4.71%
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	107,889	0.6%	0.6%	2.53%	106,756	0.6%	0.6%	3.04%	5.65%	7.68%	6.63%	-2.56%
MSCI EAFE (1)				2.53%				3.07%	5.67%	9.59%	6.00%	-3.56%
<i>Large Cap - Active</i>												
Capital Guardian	322,116	1.7%	1.7%	3.17%	317,911	1.7%	1.7%	3.46%	6.75%	11.23%	5.89%	-3.81%
LSV	320,436	1.7%	1.7%	1.77%	314,567	1.7%	1.7%	3.45%	5.27%	N/A	N/A	N/A
Bank of Ireland	105,977	0.6%	0.6%	0.94%	104,657	0.6%	0.6%	3.29%	4.26%	12.20%	N/A	N/A
Total Large Cap - Active	748,528	3.9%	3.9%	2.26%	737,136	3.9%	3.9%	3.43%	5.76%	13.74%	5.55%	-3.78%
MSCI EAFE - 50% Hedged				1.95%				3.40%	5.42%	14.41%	5.92%	-3.60%
<i>Small Cap - Active</i>												
Lazard	108,602	0.6%	0.6%	2.74%	107,988	0.6%	0.6%	4.14%	6.99%	19.82%	N/A	N/A
Wellington	115,619	0.6%	0.6%	1.43%	106,573	0.6%	0.6%	3.53%	5.00%	12.00%	N/A	N/A
Total Small Cap - Active	224,221	1.2%	1.1%	2.09%	214,561	1.1%	1.1%	3.83%	6.00%	15.90%	N/A	N/A
Citigroup Broad Market Index < \$2BN				3.00%				3.90%	7.02%	21.33%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,080,639	5.7%	5.5%	2.25%	1,058,453	5.6%	5.5%	3.47%	5.80%	13.12%	7.85%	-1.83%
MSCI EAFE - 50% Hedged				1.95%				3.40%	5.42%	14.41%	5.92%	-3.60%
EMERGING MARKETS EQUITY												
Capital Guardian	300,354	1.6%	1.4%	0.01%	300,318	1.6%	1.4%	7.06%	7.07%	33.94%	13.64%	-0.44%
UBS	104,010	0.5%	0.6%	1.36%	102,540	0.5%	0.6%	N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	404,364	2.1%	2.0%	0.35%	402,858	2.1%	2.0%	7.06%	7.44%	33.94%	13.64%	-0.44%
MSCI Emerging Markets Free				0.90%				7.08%	8.04%	34.89%	15.55%	2.97%
DOMESTIC FIXED INCOME												
<i>Core Bond</i>												
Western Asset	553,057	2.9%	2.9%	1.15%	583,297	3.1%	3.7%	-0.58%	0.57%	7.25%	5.18%	7.52%
Lehman Aggregate				1.28%				-0.91%	0.36%	6.80%	3.58%	6.07%
<i>Index</i>												
Bank of ND	1,097,461	5.8%	6.5%	1.67%	1,042,176	5.5%	6.5%	-1.22%	0.42%	7.23%	3.82%	6.36%
Bank of ND Match Loan CD Program	196,678	1.0%	1.0%	0.43%	196,743	1.0%	1.0%	0.42%	0.85%	5.08%	3.90%	4.67%
Total Index	1,294,139	6.8%	7.5%	1.36%	1,238,919	6.5%	7.5%	-0.81%	0.54%	6.91%	3.74%	6.10%
Lehman Gov/Credit				1.49%				-1.13%	0.35%	7.26%	4.07%	6.28%
<i>Convertibles</i>												
TCW	549,225	2.9%	2.9%	-0.29%	464,293	2.4%	2.6%	2.77%	2.47%	-0.23%	9.71%	-2.10%
Merrill Lynch All Convertibles				-0.07%				3.19%	3.13%	0.66%	10.83%	0.99%

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	Market Value	Allocation	Month	Net ROR	Market Value	Allocation	Month	Net ROR	Fiscal YTD	FY05	Ended	Ended
		Actual	Policy			Actual	Policy		Net ROR	Net ROR	6/30/2005	6/30/2005
											Net	Net
BBB Average Quality												
Wells Capital (formerly Strong)	579,990	3.1%	2.9%	1.50%	668,594	3.5%	3.7%	-0.50%	0.99%	12.04%	5.51%	6.57%
Lehman BBB				1.48%				-0.74%	0.74%	8.60%	6.46%	6.25%
Private Debt												
Prudential	541,469	2.9%	2.9%	1.58%	52,487	0.3%	0.3%	-0.86%	0.70%	N/A	N/A	N/A
Lehman Aggregate				1.28%				-0.91%	0.36%	N/A	N/A	N/A
Timberland												
RMK	586,264	3.1%	3.1%	-0.08%	656,844	3.5%	3.5%	-0.08%	-0.16%	14.50%	7.45%	N/A
TIR	1,473,760	7.8%	7.8%	-0.03%	1,651,191	8.7%	8.7%	-0.03%	-0.06%	N/A	N/A	N/A
Total Timberland	2,060,024	10.9%	10.9%	-0.04%	2,308,035	12.2%	12.2%	-0.04%	-0.09%	44.29%	7.48%	N/A
NCREIF Timberland Index				1.22%				1.22%	2.45%	14.07%	3.53%	N/A
TOTAL DOMESTIC FIXED INCOME	5,577,905	29.4%	30.0%	0.62%	5,315,626	28.0%	30.0%	-0.13%	0.49%	19.23%	5.63%	5.26%
Lehman Aggregate				1.28%				-0.91%	0.36%	6.80%	3.58%	6.07%
HIGH YIELD BONDS												
Loomis Sayles	468,633	2.5%	2.5%	0.37%	470,422	2.5%	2.5%	1.66%	2.03%	15.96%	N/A	N/A
Lehman High Yield Cash Pay Index				0.31%				1.58%	1.89%	10.83%	N/A	N/A
Sutter/Wells Capital	467,511	2.5%	2.5%	0.26%	463,241	2.4%	2.5%	1.82%	2.08%	9.62%	N/A	N/A
Merrill Lynch High Yield Master II Index				0.31%				1.58%	1.89%	10.63%	N/A	N/A
TOTAL HIGH YIELD BONDS	936,144	4.9%	5.0%	0.31%	933,662	4.9%	5.0%	1.74%	2.06%	12.76%	9.68%	3.43%
Lehman High Yield Bond Index				0.31%				1.58%	1.89%	10.86%	11.34%	5.67%
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	407,782	2.2%	2.3%	1.59%	384,369	2.0%	2.3%	-0.66%	0.91%	7.92%	8.76%	6.79%
Citigroup Non-US Gov't Bond Index (2)				1.85%				-0.98%	0.85%	7.75%	8.56%	6.51%
International Core												
Brandywine	406,360	2.1%	2.3%	1.46%	412,749	2.2%	2.3%	-0.55%	0.91%	11.78%	N/A	N/A
Lehman Global Aggregate (ex-US)				1.88%				-0.73%	1.14%	8.10%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	814,142	4.3%	4.5%	1.52%	797,118	4.2%	4.5%	-0.60%	0.91%	9.84%	8.95%	6.91%
Citigroup Non-US Gov't Bond Index (2)				1.85%				-0.98%	0.85%	7.75%	8.56%	6.51%
REAL ESTATE												
INVESCO	450,729	2.4%	2.5%	-1.39%	457,094	2.4%	2.5%	0.00%	-1.39%	N/A	N/A	N/A
J.P. Morgan	468,200	2.5%	2.5%	1.71%	460,309	2.4%	2.5%	0.99%	2.72%	19.52%	7.15%	7.15%
TOTAL REAL ESTATE	918,928	4.8%	5.0%	0.17%	917,403	4.8%	5.0%	0.49%	0.66%	19.52%	7.15%	7.15%
NCREIF TOTAL INDEX				1.75%				1.75%	3.53%	18.02%	7.29%	7.95%
ALTERNATIVE INVESTMENTS												
Coral Partners V	35,914			0.00%	37,003			0.00%	0.00%	-18.97%	-18.86%	-19.31%
Coral Partners V - Supplemental	4,389			0.00%	4,522			0.00%	0.00%	-6.85%	-2.23%	N/A
Coral Partners VI	33,961			0.00%	34,994			0.00%	0.00%	-1.17%	N/A	N/A
Brinson 1998 Partnership Fund	10,549			0.00%	12,220			0.00%	0.00%	19.64%	-2.29%	-5.29%
Brinson 1999 Partnership Fund	19,724			0.00%	20,323			0.00%	0.00%	9.31%	-1.36%	-6.39%
Brinson 2000 Partnership Fund	40,777			0.00%	42,018			0.00%	0.00%	14.97%	-1.48%	-3.53%
Brinson 2001 Partnership Fund	24,694			0.00%	25,445			0.00%	0.00%	4.00%	0.09%	N/A
Brinson 2002 Partnership Fund	15,244			0.00%	14,118			0.00%	0.00%	-4.22%	7.67%	N/A
Brinson 2003 Partnership Fund	2,966			0.00%	3,056			0.00%	0.00%	1.71%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	11,312			0.00%	11,657			0.00%	0.00%	32.09%	11.06%	5.27%
Brinson 2000 Non-US Partnership Fund	13,430			0.00%	13,838			0.00%	0.00%	15.57%	8.11%	1.89%
Brinson 2001 Non-US Partnership Fund	13,499			0.00%	11,548			0.00%	0.00%	9.19%	5.12%	N/A
Brinson 2002 Non-US Partnership Fund	17,345			0.00%	21,701			0.00%	0.00%	12.60%	7.72%	N/A
Brinson 2003 Non-US Partnership Fund	7,540			0.00%	7,770			0.00%	0.00%	2.52%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	2,416			0.00%	2,490			0.00%	0.00%	0.42%	N/A	N/A
Brinson BVCF IV	58,248			0.00%	62,646			0.00%	0.00%	6.06%	1.13%	-8.29%
Matlin Patterson Global Opportunities	61,550			0.00%	69,536			0.00%	0.00%	102.75%	N/A	N/A
Matlin Patterson Global Opportunities II	40,704			0.00%	33,608			0.00%	0.00%	N/A	N/A	N/A
InvestAmerica	10,464			0.00%	10,782			0.00%	0.00%	-18.88%	-6.88%	N/A
Hearthstone MSII	0			0.00%	0			0.00%	0.00%	1214.92%	18.39%	13.51%
Hearthstone MSIII	61,804			0.00%	63,684			0.00%	0.00%	16.51%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	486,530	2.6%	3.0%	0.00%	502,956	2.6%	3.0%	0.00%	0.00%	17.54%	4.32%	-2.65%
CASH EQUIVALENTS												
Northern Trust STIF/STEP	95,023	0.5%	0.0%	0.28%	252,185	1.3%	0.0%	1.56%	1.84%	2.19%	1.71%	2.65%
90 Day T-Bill				0.29%				0.23%	0.52%	2.15%	1.01%	2.29%
TOTAL FUND	18,961,855	100.0%	100.0%	0.01%	18,985,677	100.0%	100.0%	2.37%	2.38%	13.45%	11.50%	4.47%
POLICY TARGET BENCHMARK				0.14%				2.09%	2.23%	8.96%	9.15%	3.25%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) This benchmark was changed to the MSCI EAFE (unhedged) as of December 1, 2004.

(2) Previously this benchmark was titled Salomon Brothers Non-US Gov't Bond Index.

(3) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.